

# AWCI Board of Directors Annual Meeting August 7th, 2009

## **Board Present:**

- Joe Juare, President
- Tamara Houk, Vice-President (IAB Director)
- Jack Kurdzionak, Treasurer
- Doug Thompson, Secretary
- Ron Iverson, Director
- Manuel Yazijian, Director
- Jim Zimmerman, Director
- Glenn Gardner, Director
- Mike Gainey, Director
- Ernest Tope, Director
- Gene Bertram, Affiliate Chapter Director
  
- Paul Wadsworth, Parliamentarian
- Dennis Warner, Past President

## **Staff:**

- James Lubic, Executive Director
- Tom Pack, Finance Director

## **Absent with notice:**

- Hermann Mayer, REC Director

Meeting called to order 1:40PM EDT

Invocation by Kurdzionak.  
Salute to the flag.

President Juare welcomed everyone and thanked the staff and the board for all of their work over the past year. He noted the upcoming September retirement of longtime AWCI employee, Nancy Wellmann, after 24 years of service to the Institute.

Without objection, Juare appointed Gardner to chair the Executive Nominating Committee, along with Houk and Zimmerman.

## **State of the Institute**

Lubic thanked AWCI staff and noted a \$47K budget surplus for fiscal year 2008-2009. He mentioned five items AWCI needs: Constitution and Bylaws, Code of Ethics (needs to be enforceable), Strategic Plan (needs to be updated), Mission Statement (on the website) and Certification (should have an additional education maintenance component).

Probable appearance changes to the HT, including all color issues (with little or no cost increase) and changes to it's packaging (to lower costs). Advertising revenue has dropped and changes need to be made.

Watch certification and watch courses are strong, but clock certification is not. Lubic felt clock courses need be developed to aid in the promotion of the CC21.

That morning Platinum IAB members (Rolex and Richemont) were asked to voluntarily increase their dues to

\$25K annually (up from \$10K). Rolex acknowledged that they would do so and offered to match up to an additional \$25K from other IAB voluntary dues contributions. Richemont was in the process of evaluating the request.

## **Constitutional Reports**

### *Perpetuation Fund*

Juare passed the gavel to Houk while he gave the report. Johnson Investment Counsel reported that the fund had

increased 11% from its low point and appears to be strong. The full report is available from committee members as well as from Pack.

*Finance Committee (written report online)*

Treasurer Kurdzionak reported committee activities, including the May budget meeting with Lubic, Pack and Juare. They were also asked to consider two motions from the BOD concerning an employee bonus and lost vacation time by two employees. The committee was unable to support either of these motions from the BOD, but did submit three motions for consideration (from committee, no seconds required).

**Motion # 48**

In order to objectively determine if any employee shall be granted a salary bonus, the AWCI Board of Directors will formulate a comprehensive bonus policy to be inserted into the AWCI Policy Manual.

Voice Vote: Passed unanimously.

**Motion # 49**

100% of any budget surplus for the current fiscal year (2008-09) be used to reduce AWCI's outstanding \$600,000 loan.

Discussion: Extensive, most of which centered on the merits of paying off long term vs short term debt and the rates affecting those debts.

Roll Call Vote: Passed unanimously.

**Motion #50**

AWCI's Board of Directors will receive, in a timely fashion (within 15 days of each reporting period), an up to date balance sheet detailing AWCI's finances to accompany the bimonthly budget report.

Voice Vote: Passed unanimously.

*Constitution and Bylaws Committee (written report online)*

Wadsworth reported committee activity which included an examination of the Code of Ethics document submitted by the Ethics Committee and after review the document was found to be satisfactory.

*Nominating Committee (written report online)*

No one from this committee was available.

*\*Board of Examiners*

Wes Grau reported on the Board of Examiners meeting. Grau noted the BOE is moving forward with certifications and recommended more educational opportunities be available to members.

*Education Committee (written report online)*

Committee chair Jerry Faier \* previously yielded to Grau before giving his report. He noted that considerable

time and effort was given by the committee regarding the CEU issue. The committee was unable to craft a new CEU criteria standard, but felt that the old model needed to be replaced.

**Motion # 51**

To accept the Education Committee Addendum to the Education Committee Report.

Voice Vote: Passed unanimously.

*Horological Times Committee (written report online)*

Iverson reported that all members of the committee were active the examination of submitted material for the HT. Committee member Jordan Ficklin's suggestion that REC school students submit articles had yielded one article for consideration.

*Membership Committee (written report online)*

Terry Kurdzionak updated her committee's written report to 2565 members + life & honorary life members equaling a total membership of 2894.

*Convention Committee (written report online)*

Terry Kurdzionak gave a synopsis of her committee report and after having worked with a convention planner for the convention, she recommended the board consider working with a planner for next year's convention.

*Publicity Committee (written report online)*

Henry Kessler gave an overview of his committee's written report highlighting the InStore Chicago trade show and the JCK Las Vegas trade show. He noted the financial success of the committee over the last year and thanked all of those that contributed to that success, especially those IAB members that participated.

*Honors and Awards Committee (written report online)*

Glenn Gardner gave a brief overview of the committee's work which is still in progress. They are in the process of creating awards for annual certification high scores, funding of awards and determining convention responsibilities of the committee.

*Case Mark Committee*

Jon Horton stated that there was no new committee activity to report.

*Strategic Action Committee*

Ernie Tope noted that there was no new activity to report, declared that having a strategic plan was vitally important to the future of the institute, but felt that professional assistance was needed to develop a plan. He requested funding to obtain professional assistance to help the committee develop a plan.

*Ethics Committee (written report online)*

Gene Bertram briefly commented on the Enforcement Procedure document submitted to the BOD for consideration and asked that the document be adopted. Comments concerning the document from board members and staff were positive.

**Motion # 52**

To accept the Enforcement Procedures submitted by the Ethic Committee.

Voice Vote: Passed unanimously.

**Special Reports**

*Elm Trust*

Mark Butterworth reported that the Trust was financially in the black and reminded attendees that it is a charitable trust. He noted that an auction of physical assets is being considered by the Trust, but that a decision on that issue will be determined at a later date.

*Affiliate Chapters*

Gene Bertram reported that no proposals were formally put forth at the chapter meeting. As AC Director he would like to see an informal email group of some type formed to facilitate communication between Affiliate Chapter Presidents and the Affiliate Chapter Director in order remain aware of chapter activities/issues. The Affiliate Chapter of the Year Award was eliminated primarily due to a lack of clear selection criteria.

*Research and Education Council*

REC secretary Doug Thompson reported on the May meeting at Oklahoma State University Institute of Technology in Okmulgee. Representatives from REC schools discussed at length the WT program as written in the AWCI S&P document.

**Motion**

To divide the WT into separate mechanical and electronic certifications.

Discussion centered on the difficulty in implementing the WT program as written and whether the mechanical portion should be dropped.

**Motion to Amend** by Yazijian, 2<sup>nd</sup> by Gardner

That the WT certification include only electronic watches.

Voice Vote: Passed unanimously.

**Motion # 53**

That the WT certification include only electronic watches.

Voice Vote: Passed unanimously.

*Industry Advisory Board*

Tamara Houk reported that the IAB met in February and that very morning. They had no proposals, but did elect a new Director, Henry Kessler.

**Old Business**

**Motion # 54** by Kurdzionak, 2<sup>nd</sup> Houk

To approve the April Conference Call minutes.

Voice Vote: Passed unanimously.

**Motion # 55** by Kurdzionak, 2<sup>nd</sup> Houk

To approve the June Executive Committee Conference Call minutes.

Voice Vote: Passed unanimously.

**Motion # 56** by Kurdzionak, 2<sup>nd</sup> Bertram

To approve the June Conference Call minutes.

Voice Vote: Passed unanimously.

**New Business**

President Juairé asked Gardner to install the newly elected directors and Mark Butterworth, Tony Riggio and John Safranek took the oath of office.

**Motion # 57** by Kurdzionak, 2<sup>nd</sup> Thompson

To approve Gene Bertram as the Affiliate Chapter Director.

Voice Vote: Passed unanimously.

**Motion # 58** by Houk, 2<sup>nd</sup> Thompson

To approve Hermann Mayer as the Research and Education Council Director.

Voice Vote: Passed unanimously.

**Motion # 59** by Kurdzionak, 2<sup>nd</sup> Bertram

To approve Henry Kessler as industry Advisory Board Director.

Voice Vote: Passed unanimously.

Gardner installed Kessler and Bertram as IAB and Affiliate Chapter Directors, respectively.

## **Installation of Officers**

Gardner as Executive Nominating Committee chair read the recommendations of the committee:

Butterworth – President  
Yazijian – Vice-President  
Kurdzionak – Treasurer  
Riggio - Secretary

There were no further nominations from the board.

A paper ballot vote of board members was taken by Gardner, assisted by Zimmerman, Houk and Wes Grau. The votes were tallied, the candidates for the Executive Committee were elected and Gardner installed the Executive officers: 4:17PM.

## **NEXT: Continued New Business**

Submitted by Secretary Doug Thompson

**American Watchmakers – Clockmakers Institute**  
2009 Annual Meeting  
Minutes of “New Business” Board of Directors  
August 7, 2009

### **Board Present:**

- Mark Butterworth, President
- Manuel Yazijian, Vice President
- Jack Kurdzionak, Treasurer
- Anthony Riggio, Secretary
- Gene Bertram, Affiliate Chapter Director
- Michael Gainey, Director
- Ron Iverson, Director
- John Safranek, Director
- Doug Thompson, Director
- Ernest Tope, Director
- Henry Kessler, IAB Director
- Paul Wadsworth, Parliamentarian
  
- Absent: Herman Mayer, REC Director
  
- Staff:
- James Lubic, Executive Director
- Tom Pack, Finance Director

### **Guests**

- AWCI members and members of the IAB

New Business called to order 8-7-09 at 4:15 PM by President Mark Butterworth.

A General welcome was tendered to all especially the newly appointed members of the board.

### Issue #1

Opening discussion was concerning the future of AWCI and methods to broaden the organizations scope and appeal to members of the industry.

The positive reception of the recent display at the Vegas trade show was encouraging.

More of the same should be encouraged and broader marketing to the industry should be evaluated.

**\*Note the following is the "Original" DRAFT of the motion submitted to the Board of Directors by Henry Kessler:**

Motion to the AWCI BOD

**Titled: Endorsement of Marketing Research Project**

Motion to the AWCI BOD

**Titled: Endorsement of Marketing Research Project**

continued

Just as I presented the BOD of the possibility of exhibiting at a major trade show at little or no cost to AWCI, I would now like to do the same with this marketing research project. (BTW: We did 2 shows this year at a profit to AWCI!)

We have much to learn in order to progress the marketing and publicity of AWCI, the CW21 / CC21 certifications, and the development of the WT program.

I would now like to propose that AWCI endorse this research project, so that industry can, under the AWCI name, capture this data.

Afterwards, when the information has been captured, if necessary, I will then ask the BOD to fund an analysis of the data. This could cost \$5,000 or more. I am not asking for this now.

**Motion #1 by Henry Kessler:**

"AWCI to adopt and design a market survey relative to AWCI exhibiting at a major trade show. This will add to the organizations' understanding of the marketing and publicity of AWCI, the CW21 / C21 certifications and the development of the WT program. After accumulating the information, a sum, as yet to be defined, would be allocated to fund analysis of afore mentioned data."

Second by Jack Kurdzionak

**Voice Vote**

Motion passed with unanimous vote.

Issue #2

Questions and discussion about motivational bonuses for headquarters staff ensued.

Is this a realistic concept?

How would it be administered?

Is this manageable and would it provide improvements and incentives that would enhance the operations of the organization?

Can this program be implemented to serve as a springboard to membership growth?

**Motion #2 by Ernest Tope :**

“AWCI will objectively outline a bonus program proposal relative to headquarter employees. The Executive Director will define a method to objectively determine if an employee of the headquarters will qualify for and be granted a bonus. The Executive Director will submit the proposed policy to the AWCI board for review. Upon adoption and approval of the BOD the policy will be inserted into the “AWCI Policy Manual” “

Second by Gene Bertram

**Voice Vote**

Motion passed with unanimous vote.

Issue #3

Concerns relative to the ongoing legal actions toward the Richemont Group from Andre Fleury continue. How should AWCI answer the questions of parts distribution legalities and/or should AWCI even be involved?

Is this something that should be addressed, answered and published by the organization?

Many members are impacted and the emotion of the issue remains at a fever pitch.

Andre Fleury has approached AWCI to either partner with him or at least publish an opinion.

In response to this question and those brought up by membership in general a draft of a response was written and submitted by Ernest Tope.

Upon a request from the floor an electronic copy of the proposed document was displayed on the main display screen for all to review.

Upon display to the assembled participants via electronic projection Henry Kessler tendered the following motion:

**Motion #3 from Henry Kessler:**

“ The drafted proposal will be sent to a committee. AWCI President will appoint a committee to review and address Ernest Tope’s written draft that will address the organization’s opinion and policy regarding spare parts from manufactures to watch technicians as it would relate to and to officially respond to issues raised by Andre Fleury in his legal challenge of the Richemont Group’s parts distribution policies. “

Second by Doug Thompson.

**Voice Vote**

Motion passes with unanimous vote.

President Mark Butterworth will appoint a committee at the next session when all other committees are formed.

**Motion #4 from Jack Kurdzionak**

As no other business was brought to the floor Jack Kurdzionak moved the meeting recess until the assigned Sunday session.

Seconded by Manuel Yazijian.

**Voice Vote**

Motions passed with unanimous vote.

Session adjourned until Sunday, August 9<sup>th</sup>.

**American Watchmakers – Clockmakers Institute**  
2009 Annual Meeting  
Minutes of “New Business” Board of Directors  
August 9, 2009

**Board Present:**

- Mark Butterworth, President
- Manuel Yazijian, Vice President
- Jack Kurdzionak, Treasurer
- Anthony Riggio, Secretary
- Gene Bertram, Affiliate Chapter Director
- Michael Gainey, Director
- Ron Iverson, Director
- John Safranek, Director
- Doug Thompson, Director
- Ernest Tope, Director
- Henry Kessler, IAB Director
  
- Absent: Herman Mayer, REC Director
  
- Staff:
- James Lubic, Executive Director
- Tom Pack, Finance Director

**Guests**

- AWCI members and members of the IAB

New Business called to order 8-9-09 at 9:15 AM by President Mark Butterworth.

As the meeting Friday accomplished much of the business it was expected that a light session would ensue.

To start the meeting President Mark Butterworth detailed some basic “house keeping” measures,

Issue #1

- President Butterworth recommended that Paul Wadsworth be retained as Parliamentarian.

**Motion #1 by Mark Butterworth:**

“AWCI recognizes that Paul Wadsworth will serve as official BOD Parliamentarian for the fiscal year to commence with this meeting.”

Second by Jack Kurdzionak

**Voice Vote**

Motion passed with unanimous vote.

Other miscellaneous housekeeping was covered:

- President Butterworth reviewed and discussed the travel expense reimbursement process for BOD members.
- Tom Pack detailed methods and procedures of the process.
  
- 2010 annual meeting will be the 50<sup>th</sup> Anniversary of the AWCI.
  - August 5<sup>th</sup> through the 8<sup>th</sup> will be the dates for the meeting.
  - Meeting will be held in Cincinnati. Venue to be determined by the meeting committee.

Issue #2



- Considering the nature of the 50<sup>th</sup> anniversary meeting planning the normal time frame would not be enough.
- Jim Lubic stated that the ELM Trust, IAB and Perpetuation Fund meetings need the additional time to effectively cover all the issues.
- Doug Thompson recommended the Convention committee chair contribute to the final decision.
- Mark Butterworth agrees and indicated the convention chair will coordinate with the BOD. The chair will be confirmed in the official committee chair vote but Terry Kurdzionak has agreed to act as chair again.

**Motion #2 by Doug Thompson:**

“AWCI to add one day to the term of the mid-year BOD meeting.”

Second by Gene Bertram

**Voice Vote**

Motion passed with unanimous vote.

More general details relative to BOD conference call brought forth by President Butterworth.

- The months of October & April are scheduled for BOD conference calls.
- Jim Lubic stated that Wednesday evenings have historically proven to be the best night for most.
- October 28<sup>th</sup> and April 28<sup>th</sup> will be the tentative dates to be confirmed at a later date by President Butterworth and Jim Lubic.
- Jack Kurdzionak asks if it is possible to add the dates to the official web site?
- Also, is it possible to add Tom Pack, Finance Director, to the conference call group on Yahoo Group web site.

**Motion #3 from Michael Gainey:**

“ Tom Pack will be added to the official Yahoo Groups list of names and participants.”

Second by Doug Thompson.

**Voice Vote**

Motion passes with unanimous vote.

Further organizational discussions ensued:

- President Mark Butterworth outlined his recommendations for committee chairs. Official appointments will be made upon confirmation by BOD.
- Jim Lubic stated that the President has at least 30 days to make official committee chair appointments.
- Paul Wadsworth indicated that as a point of order the president has up to 90 days to submit proposed chair positions to the board.

Presidential recommendations for Committee Chairs:

- Constitution & By-laws: Paul Wadsworth
- Finance: Jack Kurdzionak
- Nominating: Gene Bertram
- Education: Jerry Faire
- Convention: Terry Kurdzionak
- Perpetuation Fund: Mark Butterworth
- Spare Parts: Ernest Tope
- Horological Times: Ron Iverson

- Ethics: Gene Bertram
- Honors and Awards: Glen Gardner

#### Issue # 4

- Discussions and opinions were outlined relative to the Mid-Term Board of Director's meeting.
- Mention was made to possibly coordinate mid-term meeting with the NAWCC meeting in Florida.
- Glen Gardner stated that considerations be given to this location so as to encourage members to attend and take advantage of educational opportunities and seminars to take place at NAWCC meeting.
- Other conversation from Manuel Yazijian indicated this would be a valuable opportunity for the "Full" board to meet and participate in a "working" retreat.

#### **Motion #4 from Manuel Yazijian:**

"The full BOD will meet in person for a Mid-Year meeting to participate in a "Working Retreat" board meeting open to All members of the board to occur over a 2 to 3 day period at a location of the board's choice. Dates and location of the "Working Retreat" to be identified and forwarded to all members of the BOD via email notification at the earliest possible convenience."

Second by Jack Kurdzionak

#### **Voice Vote**

Motions passed with unanimous vote.

#### Issue # 5

- Gene Bertram questioned the possibility of electronic board meetings via computer access.
- Opinion from the floor indicates that much of the value of the meetings come from "personal" contact and interaction.
- President Butterworth agrees that the personal interactions have intangible benefits.

#### **Motion #5 from Doug Thompson:**

"Tom Pack will evaluate the feasibility and potential of facilitating BOD meetings electronically. Ease of access, cost and availability will be detailed and a summary of the findings submitted to the BOD for consideration."

Second by Gene Bertram

#### **Voice Vote**

Motions passed with unanimous vote.

10:30 the session was suspended for a break.

10:45 meeting was reconvened.

#### Issue # 6

- AWCI is formatting programs that will coordinate the educational efforts of our organization and WOSTEP.
- Jim Lubic presented correspondence from WOSTEP that indicated they were not presently considering an educational & certification partnership with AWCI.
- General consensus was that the new CW21 & C21 certifications are valid as international benchmarks of excellence and that WOSTEP would be well served to coordinate this certification methodology with AWCI.
- The intent is to standardize certifications in conjunction with WOSTEP's final exams given upon completion of the 3000-hour course.

**Motion #6 from Ernest Tope:**

"The Executive Director will draft a response to be given to WOSTEP clarifying the "Mission and Purpose" of the AWCI CW21 exam. In conjunction with this position statement the Executive Director will identify a potential Means and Process for AWCI and WOSTEP to coordinate their respective certification efforts."

Second by Gene Bertram

**Voice Vote**

Motions passed with unanimous vote.

Issue # 7

- Ernest Tope feels the minutes should be posted as soon as possible.
- Question from the floor asks if two weeks would be out of line.
- The secretary indicated this should be a reasonable time frame.

**Motion #7 from Ernest Tope:**

"The Secretary will compose and execute the minutes of the meeting and will submit them for posting within two weeks of the close of the meeting."

Second by Manuel Yazijian

**Voice Vote**

Motions passed with unanimous vote.

Issue # 8

- Can the recorded minutes of the meeting be made available to the members via the web site?
- Henry Kessler noted that this is eminently possible.

**Motion #8 from Henry Kessler:**

"AWCI will transfer the audio file of the meeting's minutes to electronic media and make them available to members to download and review."

Second by John Safranek

**Voice Vote**

Motions passed with unanimous vote.

Issue # 9

- Henry Kessler presented the mock up of a redesigned Horological Times.
- Our magazine is a representative of our organization and it should be informative, dynamic and relevant.
- It can be an additional source of revenue from increased advertizing
- It could be an invaluable PR tool.
- Jim Lubic referred back to motion #7 from 2008's meeting where upgrading the magazine was noted.

**Motion #9 from Henry Kessler:**

“AWCI BOD to approve a draft of a redesigned Horological Times and to create a template, approximate cost of \$3,500, in order to upgrade and improve the magazine. Project to include a determination of final costs and feasibility of applying the new design to routine publication and distribution.”

Second by Jack Kurdzionak

**Voice Vote**

Motions passed with unanimous vote.

Jim Lubic added final comments and commitments relative to the meeting. He sees the following as priorities of his office and the headquarters management:

- Improve industry relations and work to secure additional funding from industry
- Develop a specific strategic plan to include but no confined to additional funding and educational cooperation relative to a defined and specific 1-year and 5-year plan.
- Work to upgrade the magazine

In Closing:

President Butterworth queried for any more business from the Board or from the floor. As there were no issues forthcoming he thanked the BOD for their input, complimented the committee for an outstanding organizational effort concerning the general meeting organization and thanked the attendees and members of Industry that attended.

He closed his remarks with the hope that this 50<sup>th</sup> year will prove to be a rousing success and benchmark for subsequent years.

**Final motion from Jack Kurdzionak:**

“Seeing no further business this meeting should be considered complete and should be adjourned”.

Second by Anthony Riggio

***Meeting adjourned at 12:05 PM, August 9, 2009***

Respectfully submitted; Anthony Riggio, CMW21, Secretary